

# **FISCAL NOTE**

## **HB 2017 - SB 2094**

March 11, 2005

**SUMMARY OF BILL:** Authorizes the Tennessee Local Development Authority to develop an enhanced program for financing local education agency capital outlay projects. Such a program would allow local governments to utilize the credit rating of the state when obtaining bond financing for capital projects for local education.

### **ESTIMATED FISCAL IMPACT:**

#### **Decrease Local Govt. Expenditures – Exceeds \$125,000**

##### Assumptions:

- There would be a decrease in local government expenditures due to utilization of the state's bond rating when financing local education capital projects.
- At least \$67,000,000 of bond financing annually by local governments for local education capital projects.
- 50% of local governments have an A2/A bond rating and 50% of local governments have a Baaa/BBB bond rating.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a long horizontal stroke at the end.

James W. White, Executive Director